

# Cultural Sales Tax Revitalization Program

## Application and Instructions



### Instructions

1. Please read the Cultural STAR Guidelines in order to complete the application correctly. Call (651) 266-STAR (7827) to receive a copy of the Guidelines.
2. Please type all information and confine your answers to the space allotted.
3. Limit additional attachments. All supporting documents should be on 8 $\frac{1}{2}$  x 11" paper.
4. Applications must be received by **4:00 P.M., Thursday, April 1, 1999**. Late applications will NOT be accepted. Mail or deliver applications to:  
  
Cultural STAR Program  
Department of Planning and Economic Development  
1400 City Hall Annex  
25 West Fourth Street  
Saint Paul, Minnesota 55102
5. STAR Applications should be signed by both the person completing the application and the organization's chief officer or president.
6. The application must be completed in full. If any of the requested information is not provided, the application will not be considered by the STAR Board.
7. Applications may NOT be changed or modified at applicant's request once submitted to the City.
8. Budget information must be specific and include construction, cost estimates, etc.
9. Include with your completed application a non-refundable \$50 check if you are applying for \$20,000 or less, or a \$100 non-refundable check if you are applying for more than \$20,000. Make check payable to "Saint Paul's Cultural STAR Program".
10. This form is available on a high-density (DS, HD) 3.5" diskette in WordPerfect for Windows (IBM). Call (651) 266-STAR (7826) to order a diskette. Disk users are required to stay within the allotted space and number of pages provided. Questions regarding this application form should be directed to STAR staff: Michele Swanson at (651) 266-6574 or Melodie Bridgeman at (651) 266-6640.

Please be sure to fully complete the application sections and include the necessary attachments as indicated below.

**ALL APPLICANTS** - pages 1 through 4

- ☐ Submit pages 1 through 4 of the application.
- ☐ Attach a non-refundable check of \$50 or \$100 depending on amount of request.
- ☐ Submit map with location where project activity is to occur.
- ☐ Submit current list of officers, principals and board members of your entity.

**SPECIAL PROJECT (NON-CAPITAL) REQUESTS** - pages 5 through 6

- ☐ Submit pages 5 and 6 of the application.
- ☐ Provide audited financial statements (or Form 990)
- ☐ Operations budgets from the previous three years.
- ☐ Itemized list of any STAR funded administrative expenses.

**CAPITAL PROJECT REQUESTS** - pages 7 through 12

- ☐ Submit pages 7 through 12 of the application.
- ☐ Attach itemized budget or contractors' estimates for capital project.
- ☐ For public improvement projects:
  - ☐ Submit letter from city department verifying feasibility of project.
  - ☐ If available, construction cost estimate from/approved by the affected city department.

**LOAN REQUESTS** - pages 13 through 17

- ☐ Submit application pages 13 through 17 of the application.
- ☐ Attach requested information as listed on page 16.



Department of Planning  
and Economic Development  
1440 City Hall Annex  
25 West Fourth Street  
Saint Paul, MN 55102-1632  
(651) 266-STAR (266-7827)  
FAX: (651) 228-3220

Tracking # \_\_\_\_\_  
Staff \_\_\_\_\_

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## CYCLE 5 CULTURAL STAR APPLICATION

Deadline: April 1, 1999, at 4:00 p.m.

### APPLICANT INFORMATION (Please type all responses)

Project Name: \_\_\_\_\_

Legal Entity Submitting Request \_\_\_\_\_

Please check type of entity: Public \_\_\_\_\_ Private \_\_\_\_\_ Profit \_\_\_\_\_ Non-Profit \_\_\_\_\_

Address \_\_\_\_\_  
STREET CITY STATE ZIP

Contact Person For This Request \_\_\_\_\_

If more than one applicant, identify which entity will sign the City contract if approved for funding

Fed. I.D. or Soc. Sec. # \_\_\_\_\_ Daytime Phone \_\_\_\_\_ Fax # \_\_\_\_\_

### Funding request

*\* Minimum Loan or Grant Request \**

*\* Maximum Special Project (Non-Capital) Request \**

Project Type: ☐ Capital ☐ Special Projects (Non-Capital)

Grant Request: \$ \_\_\_\_\_

Loan Request: \$ \_\_\_\_\_ Interest rate: \_\_\_\_\_ Term: \_\_\_\_\_

Total STAR Request: \$ \_\_\_\_\_

Total Match: \$ \_\_\_\_\_

Signature of individual completing application typed name title date

Signature of Chief Officer or President typed name title date

## ALL

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## APPLICANT INFORMATION

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**1a.** Describe your entity—history, structure, membership, etc.

**1b.** Describe your organization’s experience and capacity for successfully completing a similar project or development.

**1c.** List recent projects and experience that are similar or relevant to the proposal.

**2.** List the source/program and amount of all monies received from City in the past five years (NOTE: include information on any unused balances from grants or loans that are more than five years old).

YEAR	CITY PROGRAM	AMOUNT	LOAN OR GRANT
<i>*1992</i>	<i>Arts Funds</i>	<i>30,000</i>	<i>grant</i>

*\* example*

## APPLICANT INFORMATION (cont.)

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3. Report any present or past adverse lending relationships between this entity, including principals, and the City (examples: default, delinquent payments, litigation).
  
  
  
  
  
  
  
4. How many staff are presently employed by the entity? \_\_\_\_\_

### ATTACHMENT

✓ Current list of officers, principals and board members of this entity

## JOB IMPACT

1. Which of the following applies?

- ☐ Living Wage applies — if city funds are \$100,000 or more and the project involves Economic Development or job creation.
  
- ☐ Corporate Welfare applies - if city funds are \$25,000 or more given to businesses for Economic Development or job creation.
  
- ☐ Project does not apply for either Living Wage or Corporate Welfare

2. Complete table below. Every effort should be made to make the job estimate as accurate as possible. State regulations require that you meet this pledge within two (2) years or repay the funds.

<input type="checkbox"/> Job Impact <input type="checkbox"/> No Job Impact	Year 1	Year 2	Year 3	Year 4	Year 5
# Jobs Created (full-time permanent)					
Average Wage					
# Construction / Temporary					
# Jobs Retained (full-time permanent)					
#Jobs Lost (full-time permanent)					

## **SPECIAL PROJECTS (NON-CAPITAL)**

### **Special Projects**

1. Provide a detailed description of your proposal. Address the following questions as part of your description:

- *What need will this proposal address? How was this need identified?*
- *How does this project fit into your long range plans?*
- *How will the use of STAR funds .... enhance/gain your organization financial stability? attract a larger audience? Include projections.*

## SPECIAL PROJECTS (cont.)

### Special Projects

2. What is the project's estimated beginning and completion dates?

Beginning date: \_\_\_\_\_

Completion date: \_\_\_\_\_

3. Approximately how many participants will be involved in your project? \_\_\_\_\_

4. Complete the summary project expense budget listed below. Also attach an itemized list of any administrative expenses that you plan to fund with STAR dollars.

Category	STAR Amount	Other Funds
Professional Services/Consultants		
Facilities/Equipment		
Marketing/Promotions		
Other *		

\* For Other category, please list and itemize below:

### ATTACHMENTS

- ✓ Audited financial statements (or Form 990)
- ✓ Operation budgets for the previous three years
- ✓ Itemized list of any STAR funded administrative expenses



## CAPITAL PROJECTS

## Capital Projects

1. Do you have site control?    yes \_\_\_\_\_    no \_\_\_\_\_  
This proposal will not be considered without site control.
2. Describe, if applicable: option, purchase agreement, deeded title, lease, etc.
3. What is the project's estimated construction beginning and completion dates?  
  
Beginning date: \_\_\_\_\_  
  
Completion date: \_\_\_\_\_
4. As applicable for development proposals, generally define or describe:
  - a. Project type:    ☐ new construction    ☐ building rehab    ☐ building expansion
  - b. What is the size (sq. ft.) of your current facility?
  - c. What is the square footage of the new or expanded facility?
  - d. Describe the project site: location of the building, off-street parking and open space
5. Use of space and number of units (examples: commercial, housing, museum, theater, etc.)
6. The square footage per use (exhibit space, office, retail space, housing unit, etc.)

**CAPITAL PROJECTS (cont.)****Capital  
Projects**

7. Do you intend to lease out any space? YES \* \_\_\_\_\_ NO \_\_\_\_\_

\*If YES, answer the following questions:

a. List below the approximate rental price and prospective tenants

b. Are there any tenants that will remain in the building? YES \* \_\_\_\_\_ NO \_\_\_\_\_

\* If YES, supply the following information:

TENANT	SQUARE FOOTAGE	LEASE EXPIRES

8. Please identify the developer, architect, general contractor (if known) and the leasing and management component, if applicable.

**CAPITAL PROJECTS —  
PUBLIC IMPROVEMENTS**

**Capital — Public  
Improvements**

Answer the following questions **ONLY** if you are proposing improvements to streets, libraries, parks or other public property.

**1.** Explain how this project will be maintained over the life of the improvement. (See guideline stipulations on "above standard" improvements).

**2.** Name the city department and contact person with whom you have discussed this proposal. Provide a letter from this department verifying that this project is feasible and in accordance with city standards.

**3.** Do you have a construction cost estimate from or approved by the city department affected by this proposal? yes \* \_\_\_\_ no \_\_\_\_\_. If YES \*, please attach it to the proposal.

**4.** Have businesses and/or homeowners been approached regarding any required assessments to their property? yes\* \_\_\_\_ no \_\_\_\_.

If YES \*, answer the following:

**a.** How many properties will be affected?

\_\_\_\_\_  
residential

\_\_\_\_\_  
commercial

**b.** How many have agreed to pay assessments?

\_\_\_\_\_  
residential

\_\_\_\_\_  
commercial

**ATTACHMENTS**

- ✓ Letter from City department re: project feasibility and standards.
- ✓ Construction cost estimate from/approved by city.

## PUBLIC COST

## Capital Projects

1. Will this project/program result in an increase or decrease in the tax base?

☐ Increase      ☐ Decrease      ☐ No impact

2. Complete the following:

\$ \_\_\_\_\_ Current property taxes payable per year

\$ \_\_\_\_\_ Estimated taxes after project is completed

\$ \_\_\_\_\_ Net change in taxes (+ or -) per year

3. For proposals that remove property from the tax rolls, calculate the PILOT (payment in lieu of taxes) that will replace the lost property-tax revenue. Suggested minimum is 17.24% of the total current taxes to pay for basic safety services to be paid for 20 years or the term of the loan, whichever is longer. A PILOT is required if any part of your proposal, including match, involves acquisition.

*Example: for a project valued at \$1,743,000 with a tax capacity of \$78,578, multiply \$78,578 x 17.24 to equal \$13,548 annual tax.*

4. Will your organization be requesting payment for any project management costs?  
yes \_\_\_\_ no \_\_\_\_

a. What % of the requested STAR funds will be used for **direct physical construction costs** (hard costs)? \_\_\_\_\_ %

b. Estimate how much STAR money will be used for:

	AMOUNT
<b>HARD COSTS</b> (physical construction)	
<b>SOFT COSTS</b> (developer fees, construction management fees, other fees, design, licenses, professional services, etc.)	
Dollars to <b>go directly to your organization for any reason</b> (program expenses, construction management fee, developer fee, and/or other fees.)	

## SOURCES AND USES

### Capital Projects

1. Complete the chart below and attach an itemized budget or contractors' estimates.

CATEGORY	GRANT \$	MATCH \$	TOTAL \$
<b>Acquisition</b>			
<b>Relocation</b>			
<b>Rehabilitation:</b>			
commercial			
industrial			
public			
* other			
<b>New Construction:</b>			
commercial			
industrial			
public			
* other			
<b>Demolition</b>			
<b>Public Streetscape Improvements</b>			
<b>Public Park/Playground Improvements</b>			
<b>Private Open Space Improvements</b>			
<b>Extraordinary Site Improvements:</b> hazardous materials removed			
<b>Indirect Project Costs (soft costs):</b> (May not exceed 20% of STAR funds)			
<b>TOTALS</b>			

#### Category

Commercial/Housing Rehabilitation  
New Construction:  
Public improvements:  
Private Open Space Improvements:  
Direct Project Costs:

#### Examples

improvements to an existing structure  
additions, new structure  
streetscapes/parks: benches, signs, lighting  
tot lot, community garden on private property  
construction management insurance, design, permits, and other fees

2. For new construction “other,” itemize amounts and provide a detailed explanation of this category if STAR funds are involved.

3. For “Indirect Project Costs”, itemize amounts charged to STAR and describe costs below.

Administration, marketing, operating costs are not eligible for STAR funds. Salary costs are not allowed, eligible construction management costs must be charged as a fee.

### ATTACHMENT

✓ Itemized budget or contractors’ estimates

## SOURCE OF MATCHING FUNDS

### Capital Projects

Must be directly related to the capital improvement proposal.  
*Refer to guidelines for eligible match criteria.*

Identify the source and type of match	Amount	Date Available
A. * Estimated volunteer labor: (marketing)	\$	
B. * Estimated sweat equity: (making physical improvements)	\$	
C. Estimated in-kind services: (supplies, equipment)		
1.	\$	
2.	\$	
3.	\$	
D. Estimate and name source of cash donations:		
1.	\$	
2.	\$	
E. Name amount of anticipated foundation grants:		
1.	\$	
2.	\$	
3.	\$	
4.	\$	
F. Amount of loan and name of lender:		
1.	\$	
2.	\$	
G. Amount and source of private equity: (Such as owner's contribution)		
1.	\$	
2.	\$	
3.	\$	
H. Amount, source, and type of other match:		
1.	\$	
2.	\$	
3.	\$	
<b>Total Value of Private Match:</b>	\$	

\* Sweat equity/volunteer labor may be used for up to 30% of the match.



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## CYCLE 5 CULTURAL STAR LOAN APPLICATION

### APPLICANT INFORMATION (Please type all responses)

Project Name: \_\_\_\_\_

Street Address of Project \_\_\_\_\_

### ORGANIZATION INFORMATION

Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Principal in Contact \_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_

Type of Entity \_\_\_\_\_ Year established \_\_\_\_\_

Please describe the experience of the organization (and project manager) in managing:

- a. the loan closing process (notes, mortgage, title and other insurance)
- b. the construction process (inspections, lien waivers, payout)
- c. compliance with local regulations (Little Davis-Bacon, etc.)

## MANAGEMENT

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1. List all proprietor, partners, officers, directors, governors and all holders of outstanding stock. **100% of project ownership must be shown.**  
(Use separate sheet if necessary)

NAME SOCIAL SECURITY NUMBER AND TITLE	COMPLETE ADDRESS	% OWNED	RACE *	SEX *

\* This data is collected for statistical purposes only and is optional. It has no bearing on the credit decision to approve or decline this application.

2. Do you have affiliate and/or subsidiary firms (20% or more ownership in other entities)?

yes\* \_\_\_\_\_ no \_\_\_\_\_

*\*Provide the last fiscal year end financial statements for the listed firms.*

3. Is your business a franchise?

yes\* \_\_\_\_\_ no \_\_\_\_\_

*\*Include copy of the franchise agreement and franchiser's FTC disclosure statement.*

## BANK REFERENCES (for business loans)

BANK	ACCOUNT NO.	ACCOUNT OFFICER	PHONE

NOTE: If this project includes bank participation, please provide a bank commitment letter as soon as possible.



**TRADE REFERENCES** (for business loans)**L  
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COMPANY	CONTACT PERSON	PHONE

**ACCOUNTANT**

Firm name \_\_\_\_\_

Address \_\_\_\_\_

Phone / fax \_\_\_\_\_

**LAWYER**

Lawyer \_\_\_\_\_

Address \_\_\_\_\_

Phone / Fax \_\_\_\_\_

**DEBT SCHEDULE**

Please list all existing business debts. Date \*: \_\_\_\_\_

Creditor/ name/address	Original amount	Original date	Present balance	Interest rate	Maturity date	Monthly payment	Assets secured	Current or delinquent

Total present balance\*\* \$ \_\_\_\_\_ Total monthly payment \$ \_\_\_\_\_

\* Should be the same date as current financial statement.

\*\* Total must agree with balance shown on current financial statement.

## Attachments

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Please provide the following if applicable: *(Check if attached or "N/A" if not applicable.)*

- \_\_\_\_\_ A current balance sheet and a current operating statement. (This must not be older than 60 days.)
- \_\_\_\_\_ Aging of accounts receivable and accounts payable as of the date of the current balance sheet.
- \_\_\_\_\_ A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules.
- \_\_\_\_\_ detailed cash flow projections for the first 12 months of operation or three months beyond the break-even point (whichever is longer), with detailed assumptions; or a projected annualized income statement for the first two years after the loan, with assumptions.
- \_\_\_\_\_ A copy of existing or proposed purchase agreement or lease agreement. (Provide appraisal, if available.)
- \_\_\_\_\_ If project involves construction, please include specifications and contractors' estimates.
- \_\_\_\_\_ If project involves the purchase of fixed assets, include purchase agreements and/or vendor quotes.
- \_\_\_\_\_ If a corporation, please provide articles of incorporation and bylaws.
- \_\_\_\_\_ If a partnership, please provide partnership agreement.
- \_\_\_\_\_ If LLC, please provide articles of organization.
- \_\_\_\_\_ Copies of last three years business tax returns.
- \_\_\_\_\_ Current personal financial statements for partner, officer, owner, and each stockholder with 20% or greater ownership.
- \_\_\_\_\_ Resumes of principals and key management.
- \_\_\_\_\_ Last fiscal year end financial statements for affiliate and/or subsidiary firms.
- \_\_\_\_\_ Copy of the franchise agreement and franchiser's FTC disclosure statement.

## Conditions

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1. The applicant understands and agrees that acceptance of this application in no way implies that the City will approve the application and that the application is not a commitment to provide financing by the STAR Program.
2. All information in this application and the Exhibits is true and complete to the best of the applicant's knowledge, and is submitted to the City so the City can decide whether to grant a loan or participate with a lending institution in a loan to the applicant.
3. The applicant agrees to pay for or to reimburse the City for the cost of any surveys, title or mortgage examinations, appraisals, credit reports, etc., performed by the City or non-City personnel provided the applicant has given its consent.
4. As consideration for any management, technical, and business development assistance that may be provided, the applicant waives all claims against the City and its consultants.
5. If the applicant makes a statement that the applicant knows to be false, or if the applicant overvalues a security in order to obtain a loan, the City reserves the right to terminate any commitment to provide financing or to call any loan(s) made to the applicant.
6. The applicant understands and agrees that all information submitted with this application is subject to terms and conditions of the Minnesota Government Data Practices Act.
7. The applicant, in consideration for assistance from the City, hereby agrees that it will comply with all federal, state and local laws and regulations enforced to the extent that they are applicable to such assistance, including conditions set forth in this application.

If applicant is a proprietor or general partner, sign below:

By: \_\_\_\_\_  
Date

If applicant is a corporation, sign below:

\_\_\_\_\_  
Corporate name Date

By: \_\_\_\_\_  
Date